



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

VIA FACSIMILE AND U.S. MAIL

Jill Holtzman Vogel
Holtzman Vogel PLLC
98 Alexandria Pike
Suite 53
Warrenton, VA 20186

FEB 27 2007

RE: MUR 5678
Bully! PAC and Nancy Schafer,
in her official capacity as treasurer

Dear Ms. Holtzman Vogel:

On February 14, 2007, the Federal Election Commission (the "Commission") accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 441a(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date.

In addition, the Commission on December 12, 2006, found no reason to believe that Bully! PAC and Nancy Schafer, in her official capacity as treasurer, violated 2 U.S.C. §§ 441a(a)(8) or 441f by failing to file a report noting a conduit contribution or by making a contribution in the name of another.

The file in this matter is now closed. Documents related to the case will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). A copy of the dispositive General Counsel's Report is enclosed for your information. Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. *See* 2 U.S.C. § 437g(a)(4)(B).

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Bully! PAC *et al.*
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If you have any questions, please contact me at (202) 694-1341.

Sincerely,



Adam J. Schwartz

Enclosures
First General Counsel's Report
Conciliation Agreement

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Bully PAC and Nancy Schafer,
In her official capacity as treasurer

MUR 5678

CONCILIATION AGREEMENT

This matter was initiated by a signed, sworn, and notarized complaint by Renee Pfennig. The Federal Election Commission (the "Commission") found reason to believe that the Bully PAC and Nancy Schafer, in her official capacity as treasurer, ("Respondent") violated 2 U.S.C. § 441a(a).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437(g)(a)(4)(A)(i).
- II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondent enters voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:
 1. Bully PAC is a political committee within the meaning of 2 U.S.C. § 3011(a)(2).
 2. Nancy Schafer is currently the treasurer of Bully PAC.¹
 3. In 2004, political committees could contribute up to \$2,000 to a candidate.

¹ Ryan Bernstein was the treasurer at the time of the violation enumerated herein.

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committee per election. *See* 2 U.S.C. § 441a(a)(1). This limit increased to \$5,000 per candidate committee per election in the case of a qualified multicandidate committee. A multicandidate committee is a non-connected political committee that has received contributions from at least fifty-one persons, has been registered with the FEC for at least six months, and contributed to at least five federal candidates. *See* 2 U.S.C. § 441a(a)(2); 11 C.F.R. § 100.5(e)(3).

4. On December 15, 2004, Bully PAC made a \$6,000 in-kind contribution to Liffriq for Senate, the authorized committee for Michael Liffriq's unsuccessful bid to unseat Sen. Byron Dorgan as U.S. Senator for North Dakota in 2004.
5. This was the only contribution made by Bully PAC during the 2004 election cycle.
6. At the time Bully PAC made the in-kind contribution, it did not qualify as a multicandidate committee and therefore could contribute no more than \$2,000 to Liffriq for Senate.
7. On March 9, 2005, the Federal Election Commission's Reports Analysis Division informed Bully PAC that its \$6,000 in-kind contribution to Liffriq for Senate may have been excessive. Bully PAC responded on April 5, 2005 by requesting that Liffriq for Senate refund the excessive portion of the contribution, or \$4,000. To date, Liffriq for Senate has yet to make the requested \$4,000 refund to Bully PAC.

V. Respondent committed the following violation:

1. Respondent made a \$6,000 contribution to Liffriq for Senate in violation of the contribution limits in 2 U.S.C. § 441a(a).

VI. Respondent will take the following actions:

- 1. Respondent will pay a civil penalty of one thousand dollars (\$1,000).**
- 2. Respondent will waive its right to a refund of the contribution and will instruct Liffrog for Senate to disgorge \$4,000, the excessive portion of the contribution, to the U.S. Treasury.**
- 3. Respondent will cease and desist from violating 2 U.S.C. § 441a(a).**

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.


IX. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.



X. This Conciliation Agreement constitutes the entire agreement between the parties on matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

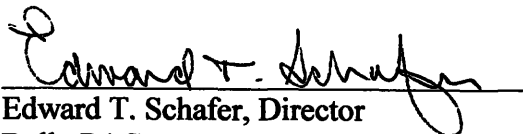
FOR THE COMMISSION:

Lawrence H. Norton
General Counsel

BY: 
Rhonda J. Vosdinger
Associate General Counsel
For Enforcement

2/20/07
Date

FOR THE RESPONDENT:


Edward T. Schafer, Director
Bully PAC

1 Feb 07
Date

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